

## STATE OF MICHIGAN DEPARTMENT OF ENVIRONMENT, GREAT LAKES, AND ENERGY

LANSING



## VIA E-MAIL

TO: Senate Environmental Quality Committee Members

Senate Natural Resources Committee Members

House Natural Resources and Outdoor Recreation Committee Members

FROM: Liesl Eichler Clark, Director

DATE: April 11, 2022

SUBJECT: Report on Utilization of Revenues of the Scrap Tire Regulatory Fund for

Fiscal Year 2021

In accordance with Section 16911(1) of Part 169, Scrap Tires, of the Natural Resources and Environmental Protection Act, 1994 PA 451, as amended, following is the Department of Environment, Great Lakes, and Energy's (EGLE) report on the utilization of revenues of the Scrap Tire Regulatory Fund (Fund) for fiscal year 2021. The Michigan Scrap Tire Program (Program) is a nationally recognized effort that combines grants that fund cleanup and market development and work in concert with effective compliance and enforcement. Since the Program was first appropriated funding in 1993, more than \$38 million has been provided through grants to remove and properly dispose of approximately 36 million passenger tire equivalents.

## **Cleanup Grants (CGs)**

A recap of the 2021 CGs' accomplishments includes 70 grants awarded (42 new grants and 28 amended grants) totaling \$791,294, which positively impacted over 100 communities. The cleanups that occurred provided targeted removal of nearly 400,000 passenger tire equivalents, resulting in:

- Reduction or elimination of the threat of mosquito-borne illnesses.
- Reduction in the threat to public health and the environment.
- Continued cleanup of legacy tire piles from abandoned dump sites.

## **Market Development Grants (MDGs)**

With the weakening of markets, such as the tire-derived fuel market, the MDGs have been a valuable tool in expanding scrap tire markets by directing funds toward equipment, research, and development and/or county/community paving projects that utilize rubber-modified asphalt and chip seal technologies. A recap of the MDGs'

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accomplishments includes six market development projects awarded during 2021, totaling \$4,285,331. These projects included road construction-related activities, equipment purchases, and innovative projects focused on educating engineers on the uses of scrap tire.

In addition to the \$2,263,265 that was expended or reimbursed during 2021 for scrap tire grants (\$787,620 for CGs and \$1,475,645 for MDGs), a total of \$1,568,017 was expended for the administration and operations of the Program supported by nine full-time equivalent staff. These staff activities include 203 site inspections; 197 facility registrations reviewed and processed; technical assistance; compliance and enforcement activities; and engagement with industry partners at a state, regional, and national level.

If you need further information, please contact Elizabeth M. Browne, Director, Materials Management Division, at 517-242-2746; or you may contact me at 517-512-5992.

cc: Kathryn Summers, Director, Senate Fiscal Agency Mary Ann Cleary, Director, House Fiscal Agency Chris Harkins, Director, State Budget Office George W. Cook, III, Legislative Affairs Director, Governor's Office Marc Rehmann, Policy Director, Governor's Office Ben Dawson, Senate Fiscal Agency Austin Scott, House Fiscal Agency Jacques McNeely, State Budget Office Zach Hendrix, State Budget Office Aaron B. Keatley, Chief Deputy Director, EGLE Amy Epkey, Senior Deputy Director, EGLE Travis Boeskool, Legislative Liaison, EGLE Paul McDonald, EGLE Dale Shaw, EGLE Elizabeth M. Browne, EGLE Robert Jackson, EGLE Tracy Kecskemeti, EGLE Rhonda Over, EGLE Kathy Tetzlaff, EGLE Jeff Spencer, EGLE

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